DOCUMENT RESUME

ED 229 862 EA 015 645

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TITLE Voter Attitudes toward Government and Spending. [Working] Papers in Education Finance, Paper No. 20.
INSTITUTION Education Commission of the States, Denver, Colo. Education Finance Center.
PUB DATE May 79
NOTE 17p.
AVAILABLE FROM Publications, Education Commission of the States, 300 Lincoln Tower, 1860 Lincoln Street, Denver, CO 80295 ($4.00).
PUB TYPE Information Analyses (070) -- Reports - Research/Technical (143)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Educational Equity (Finance); National Surveys; Property Taxes; *Public Opinion; School Effectiveness; School Support
IDENTIFIERS Proposition 13 (California 1978); *Tax Limitations

ABSTRACT

The author addresses the problem of the public's attitude toward the issues of educational finance and relates it to the attitude on government spending a a whole. From the results of tax and expenditure limitations on ballot measures in 1978 and 1979, he observes that there is no national movement to copy California's Proposition 13. Polls taken in 1978 to assess citizens' opinions on taxes, government, education, and the general state of the nation made clear that people wanted to cut government waste but not government programs. Similarly, in a poll taken in California specifically on issues in educational effectiveness, voters expressed strong support for educational programs in general but were concerned most with decline in quality, poor management, and cost increases in schooling because of inflation. Respondents also favored giving all school districts, whether rich or poor, an equal expenditure per pupil. To maintain public support for schools, it is concluded that educators should address the concerns of waste and quality. (JW)

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PAPERS IN EDUCATION FINANCE

Paper No. 20

VOTER ATTITUDES TOWARD GOVERNMENT AND SPENDING

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May 1979

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INTRODUCTION

Three topics are addressed in this article. The first is an overview of the so-called tax and expenditure limitation (TEL) movement that is supposedly sweeping the country. The second is a synthesis of a number of recent national polls on people's attitudes toward government, spending, taxes and education. The third is a summary of a public opinion poll conducted for the Education Commission of the States (ECS) in California during August as an attempt to determine the relationship between Proposition 13 and Californian's feelings about education.

I. THE ALLEGED TAX AND SPENDING LIMITATION MOVEMENT

My perception is that the results of the elections of November 7 show that there is not a Proposition 13 grassfire sweeping the nation. The votes in that election were very mixed even though most of the country's media reported that more TEL referenda passed than failed.

First, California must be viewed as a unique case. Contrary to what Sacramento claimed prior to the June 6 vote, the state was sitting on a giant surplus. In fact, between June 6 and June 30, $5 billion was discovered to fund the bailout legislation. Such a sizeable state surplus simply does not exist in most other states. As a result of the surplus and the bailout bill, the dire consequences predicted during the anti-Proposition 13 campaign did not result and in all probability will never result, although there are individual communities and schools that were severely impaired. But overall, the bailout prevented any wholesale cutting of local services. Since the current estimates in California are that there will be a $2 billion surplus in

fiscal 1979, over and above the current bailout, it is unlikely that dire consequences will ever occur in California. The point is that California was and is unique, and must be seen as an isolated state when assessing the TEL fever.

On November 7, four states had Proposition 13 type tax and spending limitations on the ballot. In Oregon and Michigan they both were soundly defeated. In Nevada the measure passed, but the vote was essentially an advisory referendum, since the proposal must pass two years consecutively before it becomes effective. In order to put Nevada in the Proposition 13 camp, it is necessary to wait for the results of the second year vote.

Idaho did pass a Proposition 13 type of tax lid that limits property taxes to one percent of market value. Since Idaho does not have a large state surplus it will not be able to enact a bailout like California did. It is very likely that local services will be substantially diminished. Idaho, rather than California, may become a bellwether state because the voters may have second thoughts when they begin to experience the decrease in local government services.

In short, the meat ax, Proposition 13 type of TEL, did not fare so well at the polls. In only one state did the voters decide to implement such a drastic measure and they will, unlike voters in California, suffer major service cuts as the measure becomes effective.

Six states had spending or tax limitation measures on the November ballot that were more reasonable than Proposition 13 in that they merely controlled expenditure increases or limited government expenditures to a fixed percent of personal income. In Colorado and Nebraska, both fiscally conservative states, such measures were

defeated, partially because legislatively enacted tax and expenditure controls already existed. In Colorado state taxes are limited to a seven percent annual increase with any excess mandated for property tax relief. And during a special session of the 1978 Nebraska legislature, a measure was adopted that set a seven percent increase on local property taxes, which the people voted to keep rather than the five percent lid on the ballot.

Four states, however, enacted moderate spending limitation measures. Arizona's measure limits state spending to seven percent of personal income; Arizona just reached that level in 1978. In Michigan, state government expenditures now will be limited to the percentage that those expenditures currently represent of personal income. Hawaii and Texas passed measures linking increased state spending to economic growth. These four are all reasonable measures. While they will slow down the growth of government expenditures and put a slight squeeze on governmental services, they are a far cry from the meat ax approach of Proposition 13.

The above are important issues that were on the ballot November 7. A number of measures in other states were interesting but typical measures on state ballots every year and, in general, should not be considered within the TEL arena. Illinois had an advisory referendum that asked voters if they preferred lower taxes. The heavy yes vote should not be a surprise. Also, it is not binding. In Missouri the proposal that passed allows the legislature to roll back local property tax rates after a reassessment of property values. Although local assessing jurisdictions have been required to enact such rate reductions under all reassessment proposals during the past decade, the

November ballot merely provides a legislative guarantee.

Alabama enacted a similar kind of property tax rate rollback to offset drastic increases in recent property tax assessments. Voters in Massachusetts passed a referendum allowing differential assessment of commercial and industrial property. Though the constitution had required assessments to be uniform on all property, the state had been assessing business and commercial property at a higher level and the courts had ruled that practice unconstitutional. The referendum measure made legal what had been the practice and continues the higher taxation of the business community. The vote in South Dakota now requires a two-thirds vote of the legislature for a tax rate increase, but does not really change much since a two-thirds vote had been required to appropriate any funds made available from such an increase. All of these measures are interesting, but clearly are not in the mainstream of the other tax and spending limitation proposals.

In summary, I conclude that the votes in November on TEL measures were mixed. There clearly is a feeling across the country that increases in taxes and government spending need to be controlled. But the allegation that Proposition 13 fever is moving across the country has very little foundation based on results of the November 7 elections.

II. NATIONAL POLLS ON TAXES, GOVERNMENT SPENDING AND EDUCATION

During 1978, a number of national polls were conducted to assess citizen opinions on taxes, government, education and the general state of the nation. These include among others, the Gallup poll on education conducted by the Kettering Foundation, a poll conducted by the National Education Association, an Advisory Commission on

Intergovernmental Relations poll, and various smaller polls. The following is an attempt to draw some conclusions from the results of these various polls.*

First, there is a general mood across the country that the nation is in a period of poor health. When asked to rate the country on a scale of 1 to 10 in terms of the general state of the union, the average score was about 5. That rating was below where the same people thought the country was five years ago, and when asked where the country would be five years in the future, the rating dropped. This pessimistic result has never occurred in these annual polls. It is sobering that a cross section of the nation's citizens feel the nation is not in good shape and that things are likely to get worse rather than better.

When asked for the causes of the problems faced by the country, education was not mentioned. The culprits were economic ills -- inflation, unemployment, high taxes and the rising cost of health service.

While education was not blamed for the general feeling of the state of the country, there was a feeling that there has been a decline in the quality of education. The perceived causes of decline, however, were lack of discipline, lack of parental involvement in schools and not enough emphasis on the basics. The interesting point about the top two reasons -- discipline and lack of parental involvement -- is that they are not a direct element of the educational enterprise itself. So

*This summary draws heavily on a paper prepared by George Cantrill for a presentation to the Federal Educational Organizations Liaison.

that even though there was a feeling that the quality of education had gone down, the primary reasons for it were not directly related to the education process itself.

In addition to the general feeling of ill health of the nation, the polls revealed some additional problems. First, there was a concern for rising taxes. While this has always been a concern, the important element is that the concern has intensified over the past decade. While only 40 to 50 percent of those polled 10 years ago felt taxes were rising too fast, nearly 70 percent feel that way today.

The 1978 polls also found a concern over rising government spending and over alleged waste in government spending. On the other hand, when asked about specific programs, the answers were more equivocal. Put another way, when narrow questions were asked about specific programs, the responses were fairly supportive. It was mainly when the vague question of rising governmental spending in general was asked that the critical tone emerged. There was fairly strong agreement, however, over waste in government and inefficient implementation of specific programs.

Although these responses seem contradictory on the surface, at a deeper level they may not be congruent. People are not necessarily worried about the inefficient delivery of those services. Put another way, people want to cut government waste but not government programs. Even differently, the American people are not against the role of government, but the people are not pleased with the performance of government.

These are very important distinctions. People are not worried necessarily about a proliferation of government services but they are

worried about the inefficient delivery of those services. Fueled by an increasing inflation rate and a heightened post-Watergate sensitivity to excesses among governmental officials is a rising skepticism about government that is intersecting with an increasing set of economic woes and causing intense unrest. While the roads out of this unclear situation are not well known, it is clear that in the next three, four or five years, government is going to be more austere and lean, while at the same time, sensitive to people and human needs.

III. ATTITUDES TOWARD EDUCATION IN CALIFORNIA

In an effort to determine differences across the states in voter attitudes toward government and education as well as the match between state polls and the national surveys, the ECS Education Finance Center has surveyed voters in five states over the past six months. Results from polls in Colorado, Idaho, Michigan and Oregon, states with TEL measures on the ballot in November, will be discussed in a forthcoming special issue of Finance Facts. The results of a poll made in California after Proposition 13 are in and in many instances parallel some of the above trends from the national studies.

When asked whether schools were doing a good job, only 50 percent answered yes. Although half those polled had good feelings about education, the percentage was a significant drop from a decade ago. The sobering other side of the coin today in California is that about half the people do not feel schools are doing a good job. Clearly, educators have some public relations business to conduct. This finding parallels the national feeling that the quality of education has gone down over the past 10 years.

Only 40 percent of those polled felt schools were run in a businesslike manner. Of course, the purpose of this question was to ascertain public perception about the efficiency of school operations. The results indicate a fairly high level of skepticism.

Other results showed that the popularity of Proposition 13 was a result of concern about rising taxes more than a concern over the level of government services, or put another way, economic ills were the culprit and not the role of government. When asked about specific services they would want to cut -- if necessary -- in the wake of Proposition 13, the top candidate was welfare. When asked what services should not be cut -- police, fire, sanitation and schools were at the top of the list.

These results held, moreover, irrespective of the vote on Proposition 13. In this sense, it is inappropriate to label Proposition 13 either an anti-welfare or an anti-education vote. Regardless of attitudes toward Proposition 13, Californians wanted to cut welfare services but maintain education. I would argue that this result reflects the underlying cause of the Proposition 13 fever -- economic ill health, fueled by rising taxes with the wrath coming out against the most unpopular government service -- welfare.

The inclusion of schools in the list of basic services not to cut clearly erodes the argument that Proposition 13 may have been an anti-education vote. In fact, when asked about what services should be increased, education was rated number one.

Though there was strong general support for education, some specific programs had greater support than others. When asked to list the education programs that should not be cut, the basic list was as

expected: English, math, science and social studies. Also included in the top five, somewhat surprisingly, was vocational education.

When asked about programs to cut, the surprise was that sports rated number one. Summer school, adult education, music and art were also on the "hit" list.

We asked whether increasing class size was an acceptable method for reducing education costs. However, 73 percent of those polled said no. This strong support for small class size held, irrespective of position on Proposition 13, as well as irrespective of age, sex, income class, or education attainment.

In an effort to determine some of the underlying causes of taxpayer unrest, we asked for perceptions of why the costs of education had risen. Number one was inflation -- an economic factor. Number two was poor management -- a performance factor. Another cause was too many administrators -- again, a performance or waste cost.

These findings surprisingly parallel the generalizations made in the preceding section on the results of the national polls. Just as people across the country are concerned about inflation, and poor performance of and waste in government, so too did those factors emerge in California with respect to the education function alone. Inflation is seen as the cause of the increasing costs of education, as well as poor performance and waste, at least in terms of too many administrators. Even though there was strong support of education in general, the results point to the linkage between a local issue -- education -- and a national problem -- inflation -- and underscore how important good administration and a well-managed school system can be when even its supporters are pressured by economic woes.

School Finance

The California poll also revealed some fascinating public opinions about school finance issues. When asked whether all school districts, rich or poor, should have the same amount of dollars per pupil to spend for books, materials, supplies and instruction -- the equal expenditure per pupil question -- 86 percent answered in the affirmative.

Even more startling was the answer to the follow-up question of whether in the effort to equalize, it would be desirable to reduce spending in some districts and to use the extra dollars to increase spending in the poor districts -- the Robin Hood question. Eighty percent of the people polled favored such a remedy, i.e., favored taking from the rich to give to the poor. In a state where political leaders had struggled for years to avoid such a program, the result is even more startling.

On community college financing, we found that 60 percent favored charging tuition for such postsecondary education opportunities. However, support for higher community college tuition and fees was much lower among low income persons and 60 percent of minorities were opposed to the idea.

IV. CONCLUSION

In summary, three points can be made. First, a Proposition 13 grassfire is not sweeping the nation, although the taxpayers want a leaner government and a curb on increases in government. Second, people are upset by economic woes, primarily inflation, and as a result are concerned about the performance of government more than the role of

government. Third, attitudes toward education, at least in California, reflect the national attitude toward government in general. While education is seen as a basic service that should not be cut, there is a concern about decline in quality, poor management and cost increases due to inflation. Working on these latter three areas, at both national and local levels, would seem to be necessary for educators as at least part of a strategy to maintain public support for schooling, including postsecondary education.

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